



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Public Benefits Program Grant – Demand-side Management Project- Nationwide Wire & Brush Mfg., Inc. (\$7,215)

MEETING DATE: November 3, 1999

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council approve a Public Benefits Program grant in the amount of \$7,215 for Nationwide Wire & Brush Mfg., Inc. as part of their energy conservation effort.

BACKGROUND INFORMATION: Nationwide Wire & Brush, located at 27 E. Vine Street, has embarked upon a multi-phased energy efficiency project. Phase 1 of their project involves the removal of the existing air compressor units, and replacing these inefficient units with two new, highly efficient 30-HP screw compressors. These units feature premium efficiency motors and a microprocessor control panel with digital readouts. These features will allow the units to run more efficiently, which in turn reduces energy consumption. The projected annual energy savings for the two new air compressors is over \$5,200. The Public Benefits Program grant in the amount of \$7,215 reflects a 25 percent match of the total project cost, which is consistent with grants approved for other commercial and industrial demand-side management projects.

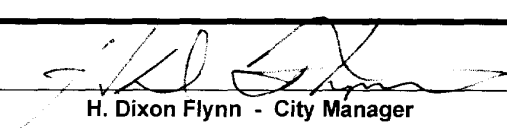
The City of Lodi Electric Utility has conducted a thorough energy assessment of the Nationwide facility, and has recommended a series of energy conservation measures. The air compressor replacement project is the first in a series of efforts that the Nationwide management is committed to pursuing in the ensuing months. Additional projects include: a complete lighting retrofit of the entire Nationwide operation (along with the installation of day or sky lights), and the replacement of the office heating and cooling unit with a highly efficient system.

Nationwide Wire & Brush has been a member of the Lodi business community for over 30 years. The company manufactures wire, brush and other parts and supplies for all makes of street sweepers. Nationwide, which employs 42 people, consumes on average, some 570,000 kWh of electricity annually.

The City of Lodi Public Benefits Program is comprised of four categories: demand-side management (energy conservation), assistance for low-income customers, energy research & design, and renewable energy technology. Of the total annual Public Benefits Program budget, 30 percent is allocated for projects designed to assist commercial/industrial customers (the 30 percent equates to \$330,000).

The City of Lodi Electric Utility respectfully recommends approval of this grant as a qualifying component of the Public Benefits Program.

APPROVED: _____


H. Dixon Flynn - City Manager



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FUNDING: 164604 – Public Benefits Program Fund - (Category - Demand-side Management)

FUNDING AVAILABLE:

Vicky McAthie, Finance Director

A handwritten signature in black ink, appearing to read "Alan N. Vallow".

Alan N. Vallow
Electric Utility Director

PREPARED BY: Rob Lechner, Manager of Customer Programs

ANV/RL/1st

C: City Attorney

APPROVED: _____
H. Dixon Flynn - City Manager

RESOLUTION NO. 99-175

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO PROVIDE A PUBLIC BENEFITS PROGRAM GRANT TO
NATIONWIDE WIRE & BRUSH MFG., INC.

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WHEREAS, the State has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on a historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1M per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, following the Electric Utility Department's review of Nationwide Wire & Brush Mfg., Inc., a series of energy conservation measure have emerged:

1.) This funding request in the amount of \$7,215.00 would be utilized for the installation of two new, high efficiency 30-HP screw compressors.

2.) Additional future projects will include 1) a complete lighting retrofit of the entire Nationwide operation, along with the installation of day or sky lights, and the replacement of the office heating and cooling unit with a highly efficient system.

WHEREAS, the Nationwide Wire & Brush Mfg., Inc., has been a member of the community for over 30 years and employs 42 people. The company manufactures wire, brush and other parts and supplies for all makes of street sweepers; and

WHEREAS, the Electric Utility Department recommends that the City provide a Public Benefits Grant of \$7,215.00 toward the installation of the two new, high efficiency 30-HP screw compressors.

BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to provide a Public Benefits Program Grant in the amount of \$7,215.00 to Nationwide Wire & Brush Mfg., Inc.

Dated: November 3, 1999

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I hereby certify that Resolution No. 99-175 was passed and adopted by the Lodi City Council in a regular meeting held November 3, 1999 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Mann, Nakanishi and Land (Mayor)

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – Pennino


ALICE M. REIMCHE
City Clerk